



Truth-In-Lending—Real Estate Settlement Procedures Act Integrated Disclosures Webinar

February 11, 2015

The information contained in this presentation is for informational purposes only and is provided as a public service and in an effort to enhance understanding of the statutes and regulations administered by the NCUA. It expresses the views and opinions of staff of NCUA and the Consumer Financial Protection Bureau (CFPB) and is not binding on NCUA, NCUA Board Members, or CFPB. Any representation to the contrary is expressly disclaimed.

Agenda

- **Introductions**
- **Consumer Financial Protection Bureau changes to disclosure rules under Regulations Z (TILA) and Regulation X (RESPA)**
 - Loan Estimate Form
 - Special Information Booklet
 - List of Service Providers
 - Closing Disclosure Form
 - Escrow Closing Notice
- **Resources/References**
- **Questions and Answers**

Introductions

- **Office of Consumer Protection:**

Director Gail W. Laster

Deputy Director Matthew J. Biliouris

CCPO Director Jamie Z. Goodson

- **Consumer Financial Protection Bureau:**

Originations Program Manager Brian Webster

Counsel Dania Ayoubi, Office of Regulations

Consumer Financial Protection Bureau

The Details

TILA-RESPA Integrated Disclosure Rule	
Status	Final Rule
Issued Date	Nov. 20, 2013; amendments issued Jan. 20, 2015
Published Date	December 31, 2013; amendments published Feb. 19, 2015
Effective Date	August 1, 2015
Docket numbers	CFPB-2012-0028 ; CFPB-2014-0028
CFR Part	12 CFR 1026 (Reg. Z); 12 CFR 1024 (Reg. X)
Reference Materials	Final Rule ; Amendments ; Compliance Guide ; Guide to Forms ; Other Resources

Background

- Currently, TILA and RESPA require creditors to provide a different set of disclosure forms to mortgage applicants
- The Dodd-Frank Act directed CFPB to integrate the TILA and RESPA disclosures

	Prior Forms Required by TILA	Prior Forms Required by RESPA	Integrated Disclosures Required by TILA-RESPA Rule
Application	Initial Truth-in-Lending disclosure (Initial TIL)	Good Faith Estimate (GFE)	Loan Estimate form
Closing	Final Truth-in-Lending disclosure (Final TIL)	HUD-1	Closing Disclosure

Final Rule – Coverage 1026.2(a)(17); 1026.19(e), (f)

- Creditors and mortgage brokers originating covered mortgages
- Applies to most closed-end consumer mortgages secured by real property
- Does not apply to:
 - Home Equity Lines of Credit
 - Reverse mortgages
 - Chattel dwelling loans, such as loans secured by mobile homes or a dwelling not attached to real property
- Exemption for low-volume originators

Loan Estimate – Content 1026.19(e); 1026.37

The Loan Estimate must:

- Provide members with a good faith estimate of credit costs and transaction terms
- Be in writing and contain certain information prescribed in the Final Rule
- Be provided according to the timing and method of delivery requirements in the Final Rule
- Adhere to specific formatting instructions prescribed in the Final Rule

Loan Estimate – Content

1022.2(b); 1026.37(o);

Reg. Z App. H-24

- CFPB provided a standard Loan Estimate form (Form H-24)
- Creditors must use Form H-24 for **federally related mortgage loans**
- Form H-24 is optional for other loans subject to TILA-RESPA Rule that are not federally related mortgage loans (but disclosures must contain exact information)
- Federally related mortgage loans – generally exclude temporary financing and construction loans

Loan Estimate – Page 1

12 CFR 1026.37

Bank Name - (a)(3) Save this Loan Estimate to compare with your Closing Disclosure. (a)(2)

Loan Estimate (a)(1)

DATE ISSUED (a)(4)
APPLICANTS (a)(5)

PROPERTY (a)(6)
SALE PRICE (a)(7)

LOAN TERM (a)(8)
PURPOSE (a)(9)
PRODUCT (a)(10)
LOAN TYPE ☐ Conventional ☐ FHA ☐ VA ☐ (a)(11)
LOAN ID # (a)(12)

RATE LOCK ☐ NO ☐ YES, until (a)(13)
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on

Loan Terms		Can this amount increase after closing?
Loan Amount	(b)(1)	
Interest Rate	(b)(2)	(b)(6)
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	(b)(3)	
Does the loan have these features?		
Prepayment Penalty	(b)(4)	(b)(7)
Balloon Payment	(b)(5)	

Projected Payments	
Payment Calculation	(c)(3)
Principal & Interest	(c)(2)
Mortgage Insurance	
Estimated Escrow <i>Amount can increase over time</i>	
Estimated Total Monthly Payment	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	<div> <div>(c)(4)</div> <div> <p>This estimate includes</p> <p><input type="checkbox"/> Property Taxes</p> <p><input type="checkbox"/> Homeowner's Insurance</p> <p><input type="checkbox"/> Other:</p> <p><i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i></p> </div> <div> <p>In escrow?</p> </div> </div>

Costs at Closing		(d)(1)
Estimated Closing Costs	Includes in Loan Costs + in Other Costs – in Lender Credits. See page 2 for details.	
Estimated Cash to Close	Includes Closing Costs. See Calculating Cash to Close on page 2 for details. <input type="checkbox"/> From <input type="checkbox"/> To Borrower	

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools. (e)

LOAN ESTIMATE PAGE 1 OF 3 • LOAN ID #

- Annotations provide regulatory citations to 12 CFR 1026.37
- See also Section 2.2 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Oct 1st 2014

Loan Estimate – Page 2

Closing Cost Details

Loan Costs		Other Costs	
A. Origination Charges % of Loan Amount (Points) (f)(1)		E. Taxes and Other Government Fees Recording Fees and Other Taxes (g)(1) Transfer Taxes	
B. Services You Cannot Shop For (f)(2)		F. Prepaids Homeowner's Insurance Premium (months) Mortgage Insurance Premium (months) Prepaid Interest (per day for days @) Property Taxes (months) (g)(2)	
C. Services You Can Shop For (f)(3)		G. Initial Escrow Payment at Closing Homeowner's Insurance per month for mo. Mortgage Insurance per month for mo. Property Taxes per month for mo. (g)(3)	
D. TOTAL LOAN COSTS (A + B + C) (f)(4)		H. Other (g)(4)	
Adjustable Payment (AP) Table		I. TOTAL OTHER COSTS (E + F + G + H) (g)(5)	
Interest Only Payments?	(i)(1)	J. TOTAL CLOSING COSTS D + I (g)(6) Lender Credits	
Optional Payments?	(i)(2)	Calculating Cash to Close (h)(1) Total Closing Costs (J) Closing Costs Financed (Paid from your Loan Amount) Down Payment/Funds from Borrower Deposit Funds for Borrower Seller Credits Adjustments and Other Credits Estimated Cash to Close	
Step Payments?	(i)(3)	Adjustable Interest Rate (AIR) Table	
Seasonal Payments?	(i)(4)	Index + Margin (j)(1) Initial Interest Rate (j)(3) Minimum/Maximum Interest Rate (j)(4)	
Monthly Principal and Interest Payments First Change/Amount (i)(5) Subsequent Changes Maximum Payment		Change Frequency First Change (j)(5) Subsequent Changes Limits on Interest Rate Changes First Change (j)(6) Subsequent Changes	

LOAN ESTIMATE

PAGE 2 OF 3 - LOAN ID #

- Annotations provide regulatory citations to 12 CFR 1026.37
- See also Section 2.3 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Oct 1st 2014

Loan Estimate – Page 3

Additional Information About This Loan

LENDER	(k)(1)	MORTGAGE BROKER
NMLS/	LICENSE ID	NMLS/
LOAN OFFICER	(k)(2)	LOAN OFFICER
NMLS/	LICENSE ID	NMLS/
EMAIL	(k)(3)	EMAIL
PHONE		PHONE

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	(l)(1)	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	(l)(2)	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	(l)(3)	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal	(m)(1)	We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
Assumption	(m)(2)	If you sell or transfer this property to another person, we <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input type="checkbox"/> will not allow assumption of this loan on the original terms.
Homeowner's Insurance	(m)(3)	This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
Late Payment	(m)(4)	If your payment is more than ____ days late, we will charge a late fee of ____
Refinance	(m)(5)	Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.
Servicing	(m)(6)	We intend <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> to transfer servicing of your loan.

Confirm Receipt		(n)	
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.			
Applicant Signature	Date	Co-Applicant Signature	Date

LOAN ESTIMATE

PAGE 3 OF 3 - LOAN ID #

- Annotations provide regulatory citations to 12 CFR 1026.37
- See also Section 2.4 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Oct 1st 2014

Loan Estimate – Timing 1026.19(e)(1)

- Deliver the Loan Estimate, or place it in the mail:
 - Not later than the third business day after the creditor receives an application for a covered transaction.
 - At least seven business days before consummation.

Loan Estimate – Timing^{1026.2(a)(3)(ii)}

- A creditor has received an application when it has received:
 - The member's name
 - The member's income
 - The member's social security number to obtain a credit report
 - The property address
 - An estimate of the property's value
 - The mortgage loan amount sought

Loan Estimate – Timing 1026.2(a)(6)

- There are two definitions of “business day”:
 - Under one definition, a “business day” is a day a creditor’s offices are open to the public for carrying out substantially all of its business functions (“days open for business”). This definition varies by creditor.
 - Under the other definition, a “business day” is every day except Sundays and specific federal legal public holidays (“days other than Sundays and holidays”). It will be the same for every creditor.

Loan Estimate – Timing

1026.19(e)(1);

1026.2(a)(13)

- Creditors must deliver the Loan Estimate, or place it in the mail, at least seven business days before consummation.
- “Consummation” occurs when the member becomes contractually obligated to the creditor on the loan.
- When consummation occurs depends on applicable state law.

Loan Estimate – Timing^{1026.19(e)(1)}

- Creditor or mortgage broker may provide a member with the Loan Estimate
- If mailed, Loan Estimate is deemed received three business days (days other than Sundays and holidays) after it is delivered or mailed
- Must be delivered or placed in the mail at least seven business days (days other than Sundays and holidays) before consummation
 - **NOTE:** Members can waive or modify the 7-day waiting period before consummation based on a bona fide personal financial emergency.

Loan Estimate – Timing^{1026.19(e)(2)}

- **Timing of fees:**
 - Generally cannot impose fees before member has received the Loan Estimate and indicates intent to proceed with the transaction
- **Communication of Intent to Proceed:**
 - Members may indicate in any manner (except silence) their decision to proceed with the loan after delivery of the Loan Estimate
 - Document intent to proceed

Loan Estimate – Accuracy 1026.19(e)(1), (3)

- **Disclosures must be:**
 - Made in **good faith**
 - Consistent with best information reasonably available to the creditor at the time of disclosure
- **Charges fall into these tolerance categories:**
 - No regard for tolerance
 - 10% cumulative tolerance
 - Zero tolerance

Loan Estimate – Accuracy 1026.19(e)(3)

- **Exceed without regard to tolerance:**
 - Prepaid interest;
 - Property insurance premiums;
 - Amounts placed into an escrow, impound, reserve, or similar account;
 - Services you require if you permit the member to “shop” and the member selects a third-party service provider not on the written list of service providers; and
 - Charges paid to third-party service providers for services not required by the creditor (which may be paid to affiliates of the creditor).

Loan Estimate – Accuracy 1026.19(e)(3)

- **10 percent cumulative tolerance:**
 - Recording fees
 - Charges for third-party services where:
 - The charge is not paid to the creditor or the creditor's affiliate; and
 - The consumer is permitted by the creditor to shop for the third-party service; and
 - The consumer selects a third-party service provider on the creditor's written list of service providers.

Loan Estimate – Accuracy 1026.19(e)(3)

- **Zero tolerance:**
 - Fees paid to the creditor, mortgage broker, or an affiliate of either;
 - Fees paid to unaffiliated third party service providers if the creditor did not permit the member to “shop”; and
 - Transfer taxes.

Loan Estimate – Accuracy 1026.19(e)(3); 1026.19(f)(2)

- **Generally** – The creditor must refund the excess to the member no later than 60 calendar days after consummation
 - 10% Cumulative Tolerance Charges – To the extent the charges added together exceed the sum of all charges disclosed on the Loan Estimate by more than 10 percent
 - Zero Tolerance Charges – Any amount charged beyond the amount disclosed on the Loan Estimate

Loan Estimate – Accuracy 1026.19(e)(3)

- **General rule** - Creditors are bound by the Loan Estimate and may not issue revisions
- **Changed circumstance** -
 - An extraordinary event beyond the control of any interested party or other unexpected event specific to the member or the transaction, such as war or natural disaster;
 - Information specific to the member or the transaction that the creditor relied upon when providing the Loan Estimate that was inaccurate or changed after the disclosures were provided ; or
 - New information specific to the member or transaction that the creditor did not rely on when providing the Loan Estimate

Loan Estimate – Accuracy 1026.19(e)(3)

- **Exceptions** – Creditors are permitted to provide revised Loan Estimates only in certain circumstances:
 - Changed circumstances causing charges to increase more than permitted
 - Changed circumstances affecting the member's eligibility for the terms applied or the value of the loan's security

Loan Estimate – Accuracy 1026.19(e)(3)

- Member requested changes to terms:
 - Revisions to the loan terms of settlement that cause estimated charges to increase
 - Member indicates an intent to proceed with the transaction more than 10 business days (days open for business) after the Loan Estimate was originally delivered or placed in the mail
- Interest rate was not locked
- Loan estimate expires
- New construction loan with settlement delayed more than 60 calendar days (if revisions are permitted)

Loan Estimate – Accuracy 1026.19(e)(4)

- Creditors must provide the revised Loan Estimate three business days (days open for business) after receiving the information sufficient to establish that one of the reasons for revision has occurred.
- Consumers must receive the revised Loan Estimate no later than four business days (days other than Sundays and holidays) before consummation. If you mail the revised Loan Estimate and rely on the “mailbox rule,” mail it no later than seven business days before consummation to allow three business days for receipt.

Special Information Booklet

1026.19(g)(1)

- **General Rule:**

- Creditors must provide the special information booklet, also known as the Settlement Cost Booklet, no later than three business days (days open for business) after receiving application

- **Exceptions:**

- Member is applying for a HELOC
- Loan is not for the purpose of purchasing a one-to-four family residential property
- Loan is denied or withdrawn

List of Service Providers 1026.19(e)(1), (3)

- If members are permitted to “shop” for a settlement service, you must provide members a written list of available services and third-party service providers:
 - Must be provided within the same time frame as the Loan Estimate
 - Must be provided separately from the Loan Estimate

Closing Disclosure – Content

1026.38(a)(1)

- **The Closing Disclosure:**
 - Must be in writing
 - Must be delivered to borrower prior to consummation
 - Replaces final TILA disclosure and HUD-1
 - Contains actual closing figures
 - Must contain specified information and be in approved form

Closing Disclosure – Content

Reg. Z App. H-25

- The regulations include a standard Closing Disclosure (Form H-25)
- Creditors must use Form H-25 for federally related mortgage loans
- Form H-25 is optional for mortgage loans not federally related loans – generally exclude temporary financing and construction loans

Closing Disclosure – Page 1

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
Date Issued	4/15/2013	Borrower	Michael Jones and Mary Stone	Loan Term	30 years
Closing Date	4/15/2013		123 Anywhere Street	Purpose	Purchase
Disbursement Date	4/15/2013		Anytown, ST 12345	Product	Fixed Rate
Settlement Agent	Epsilon Title Co.	Seller	Steve Cole and Amy Doe	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #	12-3456		321 Somewhere Drive		<input type="checkbox"/> VA <input type="checkbox"/> _____
Property	456 Somewhere Ave	Lender	Anytown, ST 12345	Loan ID #	123456789
	Anytown, ST 12345		Ficus Bank	MIC #	000654321
Sale Price	\$180,000				

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest	\$761.78	NO
<i>See Projected Payments below for your Estimated Total Monthly Payment</i>		
Prepayment Penalty	YES	As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

Projected Payments				
Payment Calculation	Years 1-7		Years 8-30	
Principal & Interest	\$761.78		\$761.78	
Mortgage Insurance	+	82.35	+	—
Estimated Escrow <i>Amount can increase over time</i>	+	206.13	+	206.13
Estimated Total Monthly Payment	\$1,050.26		\$967.91	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i> <i>See page 4 for details</i>	\$356.13 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>		In escrow? YES YES NO

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

CLOSING DISCLOSURE

PAGE 1 OF 5 - LOAN ID # 123456789

- Closely mirrors Page 1 of the Loan Estimate
- Annotations provide regulatory citations to 12 CFR 1026.38
- See also Section 3.2 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Nov 18th 2014

Closing Disclosure – Page 2

Closing Cost Details

Loan Costs		Borrower-Paid		Seller-Paid		Paid by Others
		At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges		\$1,802.00				
01	0.25 % of Loan Amount (Points)	\$405.00				
02	Application Fee	\$300.00				
03	Underwriting Fee	\$1,097.00				
04						
05						
06						
07						
08						
B. Services Borrower Did Not Shop For		\$236.55				
01	Appraisal Fee to John Smith Appraisers Inc.		\$29.80			\$405.00
02	Credit Report Fee to Information Inc.					
03	Flood Determination Fee to Info Co.	\$20.00				
04	Flood Monitoring Fee to Info Co.	\$31.75				
05	Tax Monitoring Fee to Info Co.	\$75.00				
06	Tax Status Research Fee to Info Co.	\$80.00				
07						
08						
09						
10						
C. Services Borrower Did Shop For		\$2,655.50				
01	Post Inspection Fee to Peris Co.	\$120.50				
02	Survey Fee to Surveys Co.	\$85.00				
03	Title – Insurance Binder to Epsilon Title Co.	\$650.00				
04	Title – Lender's Title Insurance to Epsilon Title Co.	\$500.00				
05	Title – Settlement Agent Fee to Epsilon Title Co.	\$500.00				
06	Title – Title Search to Epsilon Title Co.	\$800.00				
07						
08						
D. TOTAL LOAN COSTS (Borrower-Paid)		\$4,694.05				
Loan Costs Subtotals (A + B + C)		\$4,664.25	\$29.80			
Other Costs						
E. Taxes and Other Government Fees		\$85.00				
01	Recording Fees Deed: \$40.00 Mortgage: \$45.00	\$85.00				
02	Transfer Tax to Any State			\$950.00		
F. Prepays		\$2,120.80				
01	Homeowner's Insurance Premium (12 mo.) to Insurance Co.	\$1,209.96				
02	Mortgage Insurance Premium (mo.)					
03	Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)	\$279.04				
04	Property Taxes (6 mo.) to Any County USA	\$631.80				
05						
G. Initial Escrow Payment at Closing		\$412.25				
01	Homeowner's Insurance \$100.83 per month for 2 mo.	\$201.66				
02	Mortgage Insurance per month for mo.					
03	Property Taxes \$105.30 per month for 2 mo.	\$210.60				
04						
05						
06						
07						
08	Aggregate Adjustment	– 0.01				
H. Other		\$2,400.00				
01	HOA Capital Contribution to HOA Acce Inc.	\$500.00				
02	HOA Processing Fee to HOA Acce Inc.	\$150.00				
03	Home Inspection Fee to Engineers Inc.	\$750.00			\$750.00	
04	Home Warranty Fee to XYZ Warranty Inc.			\$450.00		
05	Real Estate Commission to Alpha Real Estate Broker			\$5,700.00		
06	Real Estate Commission to Omega Real Estate Broker			\$5,700.00		
07	Title – Owner's Title Insurance (optional) to Epsilon Title Co.	\$1,000.00				
08						
I. TOTAL OTHER COSTS (Borrower-Paid)		\$5,018.05				
Other Costs Subtotals (E + F + G + H)		\$5,018.05				
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$9,712.10				
Closing Costs Subtotals (D + I)		\$9,682.30	\$29.80	\$12,800.00	\$750.00	\$405.00
Lender Credits						

CLOSING DISCLOSURE

PAGE 2 OF 5 • LOAN ID # 123456789

- Closely mirrors Page 2 of the Loan Estimate
- Annotations provide regulatory citations to 12 CFR 1026.38
- See also Section 3.3 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Nov 18th 2014

Closing Disclosure – Page 3

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	–\$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	–\$10,000.00	–\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	–\$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	–\$1,035.04	YES • See details in Sections K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summaries of Transactions		Use this table to see a summary of your transaction.	
BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$189,762.30	M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00	01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$9,682.30	03	
04		04	
Adjustments		05	
05		06	
06		07	
07		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to		09 City/Town Taxes to	
09 County Taxes to		10 County Taxes to	
10 Assessments to		11 Assessments to	
11 HOA Dues 4/15/13 to 4/30/13	\$80.00	12 HOA Dues 4/15/13 to 4/30/13	\$80.00
12		13	
13		14	
14		15	
15		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$175,615.04	N. Due from Seller at Closing	\$115,665.04
01 Deposit	\$10,000.00	01 Excess Deposit	
02 Loan Amount	\$162,000.00	02 Closing Costs Paid at Closing (J)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	\$100,000.00
05 Seller Credit	\$2,500.00	05 Payoff of Second Mortgage Loan	
Other Credits		06	
06 Rebate from Epsilon Title Co.	\$750.00	07	
07		08 Seller Credit	\$2,500.00
Adjustments		09	
08		10	
09		11	
10		12	
11		13	
Adjustments for Items Unpaid by Seller		Adjustments for Items Unpaid by Seller	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04	14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	
CALCULATION		CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30	Total Due to Seller at Closing (M)	\$180,080.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	–\$175,615.04	Total Due from Seller at Closing (N)	–\$115,665.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26	Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96

CLOSING DISCLOSURE

PAGE 3 OF 5 • LOAN ID # 123456789

- Cash to Close compared to Loan Estimate page 2
- Annotations provide regulatory citations to 12 CFR 1026.38
- See also Section 3.4 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Nov 18th 2014

Closing Disclosure – Page 4

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

☐ will allow, under certain conditions, this person to assume this loan on the original terms.

☒ will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.

☒ does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.

☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.

☒ do not have a negative amortization feature.

Partial Payments

Your lender

☒ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.

☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.

☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

☒ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

☐ will not have an escrow account because ☐ you declined it ☐ your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

- Includes the Adjustable Payment and Adjustable Interest Rate tables
- Annotations provide regulatory citations to 12 CFR 1026.38
- See also Section 3.5 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Nov 18th

Closing Disclosure – Page 5

Loan Calculations		Other Disclosures	
Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36	Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27	Contract Details See your note and security instrument for information about • what happens if you fail to make your payments, • what is a default on the loan, • situations in which your lender can require early repayment of the loan, and • the rules for making payments before they are due.	
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00	Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%	Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%	Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____
CLOSING DISCLOSURE PAGE 5 OF 5 - LOAN ID # 123456789

- Annotations provide regulatory citations to 12 CFR 1026.38
- See also Section 3.6 of the Guide to Forms
- Sample Forms available on the website
- Loan Estimate covered in webinar on Nov 18th

Closing Disclosure – Timing

1026.2(a)(13); 1026.19(f)(1)

- The Closing Disclosure must be delivered at least three business days (days other than Sundays and holidays) before consummation, or placed in mail to ensure timely delivery
- The Final Rule provides definitions for:
 - Business day and
 - Consummation
- If delivered untimely, consummation must be delayed, except for bona fide personal financial emergency

Closing Disclosure – Accuracy

1026.19(f)(1), (2); 1026.38(a)-(s)

- **All terms must be accurate**
- **Estimates permitted if:**
 - Made in good faith
 - Necessary information is not reasonably available
 - Credit union used due diligence to obtain the information
- **If necessary, corrections are required to provide accurate figures before consummation**

Closing Disclosure – Accuracy

1026.19(f)(2)

- **Three categories of changes for which a lender must issue a corrected Closing Disclosure:**
 - Pre-consummation changes which require a new three-business-day waiting period
 - Pre-consummation changes not requiring a new waiting period
 - Post-consummation changes

Closing Disclosure – Accuracy

1026.19(f)(2)

- **Pre-consummation corrections - new three-business-day waiting period required if:**
 - The disclosed APR becomes inaccurate
 - The loan product changes
 - A prepayment penalty is added
- **No new waiting period for all other changes**
 - But corrected Closing Disclosure provided before or at closing

Closing Disclosure – Accuracy

1026.19(f)(2)

- **Post-consummation revised disclosures required:**
 - Where circumstances change within 30 days of consummation
 - To correct clerical non-numerical clerical errors
 - With refunds to cure tolerance violations

Escrow Closing Notice 1026.20(e)

- **Required before terminating escrow account**
 - Closed-end first lien loans on real property or dwelling
 - Reverse mortgages excluded
- **Timing**
 - 30 business days before servicer cancels
 - Three business days before terminating at consumer's request
- **Exceptions**
 - Escrow established due to delinquency or default
 - Underlying obligation terminated

Action Items

- Become familiar with the new requirements
- Determine the business and process changes needed to comply with the Final Rule
- Develop a plan to implement them by Aug. 1, 2015 (including schedule and budget)
- Review the plan and scope with executive management

Action Items

- Identify third-party relationships impacted by the regulatory changes (such as vendors and real estate agents)
- Plan for how you will work with external stakeholders, such as settlement service providers
- Develop training for staff and management
- Test and implement technology changes
- Roll out new process

Resources



Consumer Financial
Protection Bureau

OUTLOOK_{LIVE}

The opinions expressed in this presentation are intended for informational purposes, and are not formal opinions of, nor binding on, the Board of Governors of the Federal Reserve System

[illegible]

Facebook Twitter Email

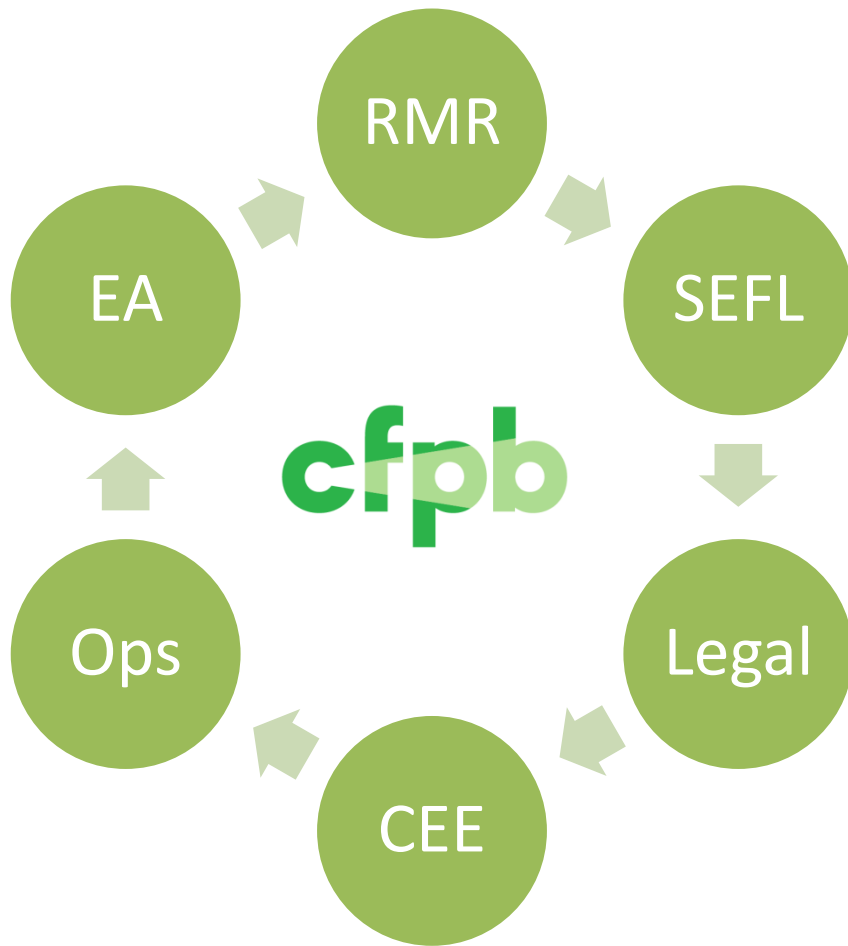
Rules	Dodd-Frank Act citations,	Compliance aids	Proposals/notices with publication date	Final rules with publication dates	Other resources
Ability to Repay/Qualified Mortgage	1411-12, 1414	Guide	76 FR 27389 5/11/11 77 FR 33120 6/5/12 78 FR 6621 1/30/13 78 FR 25638 5/2/13 78 FR 39901 7/2/13 79 FR 25730 5/6/14	78 FR 6407 1/30/13 78 FR 35429 6/12/13 78 FR 44685 7/24/13 78 FR 45842 7/30/13 78 FR 60381 10/1/2013 79 FR 41631 7/17/2014	ATR/QM comparison chart Appendix Q Coverage and exemptions chart Small creditor QMs flowchart What is a Qualified Mortgage? – a basic guide for lenders.

Regulation X (12 CFR 1024)	Closed-End, Principal Residence	Closed-End, Non-Principal Residence	Open-End	Services and Loan Types Exempt from Coverage
Error Resolution and Information Requests (.35 and .36)	X	X		
Force-Placed Insurance (.37)	X	X		Small Servicer ² must comply with requirements of 1024.37 but, per 1024.17(k)(5)(iii), is permitted to purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance.
Policies, Procedures, and Requirements (.38)	X	X		Small Servicer, Reverse Mortgages, Qualified Lender³
Early Intervention (.39)	X			Small Servicer, Reverse Mortgages, Qualified Lender
Continuity of Contact (.40)	X			Small Servicer, Reverse Mortgages, Qualified Lender
Loss Mitigation Procedures (.41)	X			Small Servicers (except, per 1024.41(j), small servicers may not file for foreclosure if borrower is performing pursuant to a loss mitigation agreement OR is 120 or fewer days delinquent), Reverse Mortgages, Qualified Lender
Mortgage Servicing Transfers (.33)	X	X		Certain Transfers: between affiliates; resulting from servicer/subservicer mergers or acquisitions; OR between master servicers without changing subservicer. Servicing Disclosure Statement required for first lien only.
Escrow Accounts (.17 and .34)		X	X (.17 only)	Small servicer is permitted to purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance, per 1024.17(k)(5)(iii).



Consumer Financial
Protection Bureau

Stakeholder Coordination



National Credit
Union Administration

Website



HOME > REGULATORY IMPLEMENTATION

Regulatory implementation

We've got resources to help you understand the rules and their implications, as well as links to various other helpful resources because timely and efficient regulatory implementation of new rules is an important factor in delivering consumer protections to the market.

TITLE XIV RULES

As a result of Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act, we issued a number of mortgage-related rules: Ability to Repay/Qualified Mortgages, HOEPA, Loan Originator Compensation, Servicing, and more.

TILA-RESPA INTEGRATED DISCLOSURE RULE

The new Loan Estimate and Closing Disclosure requirements – effective August 1, 2015 – will combine two existing disclosure regimes under TILA and RESPA and make mortgage disclosure easier for consumers to understand and use.

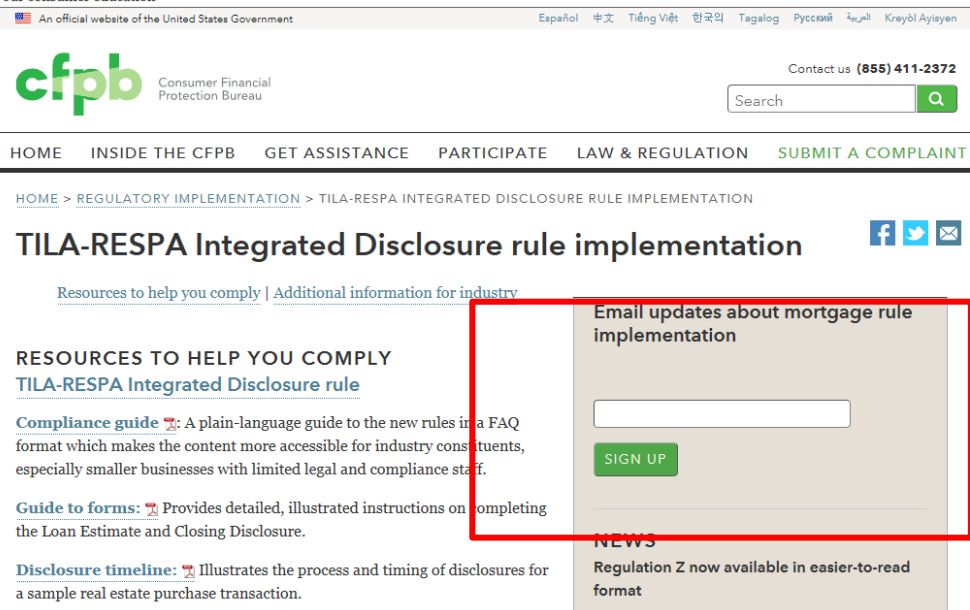
REMITTANCE TRANSFER RULE

We amended Regulation E, which implements the Electronic Fund Transfer Act and the official interpretation to the regulation. We've got resources to help you understand the rule and its implications, as well as links to our consumer education resources.

IMPLEMENTATION AT THE CFPB

If the whole point of our regulations is to protect consumers and promote fair, transparent, and competitive markets, we should care about how well the rules are understood and implemented, how operational issues are addressed, and the amount of effort required. And we have shown that we do care deeply about this.
-Director Richard Cordray

Share



Guides

TILA-RESPA INTEGRATED DISCLOSURE

Guide to the Loan Estimate
and Closing Disclosure forms



SEPTEMBER 2014

2014 CFPB Dodd-Frank Mortgage Rules Readiness Guide

Version 3.0



Ability-to-Repay and Qualified Mortgage Rule

Small entity compliance guide



November 3, 2014

Other Print Resources

Regulation X (12 CFR 1024)	Closed-End, Principal Residence	Closed-End, Non-Principal Residence	Open-End	Servicers and Loan Types Exempt from Coverage
Error Resolution and Information Requests (.35 and .36)	X	X		Small Servicer ^a must comply with requirements of 1024.37 but, per 1024.17(k)(5)(ii), is permitted to purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance.
Force-Placed Insurance (.37)	X	X		Small Servicer, Reverse Mortgages, Qualified Lender ^a
Policies, Procedures, and Requirements (.38)	X	X		Small Servicer, Reverse Mortgages, Qualified Lender ^a
Early Intervention (.39)	X			Small Servicer, Reverse Mortgages, Qualified Lender
Continuity of Contact (.40)	X			Small Servicer, Reverse Mortgages, Qualified Lender
Loss Mitigation Procedures (.41)	X			Small Servicers (except, per 1024.41(i), small servicers may not be for foreclosure if borrower is performing pursuant to a loss mitigation agreement OR is 120 or fewer days delinquent); Reverse Mortgages, Qualified Lender
Mortgage Servicing Transfers (.33)	X	X		Certain Transfers: between affiliates; resulting from servicer/subservicer mergers or acquisitions; OR between master servicers without changing subservicer. Servicing Disclosure Statement required for first lien only.
Escrow Accounts (.17 and .34)	X	X	X (.17 only)	Small servicer is permitted to purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance, per 1024.17(k)(5)(ii).

TILA RESPA Integration disclosure timeline example

September 2014

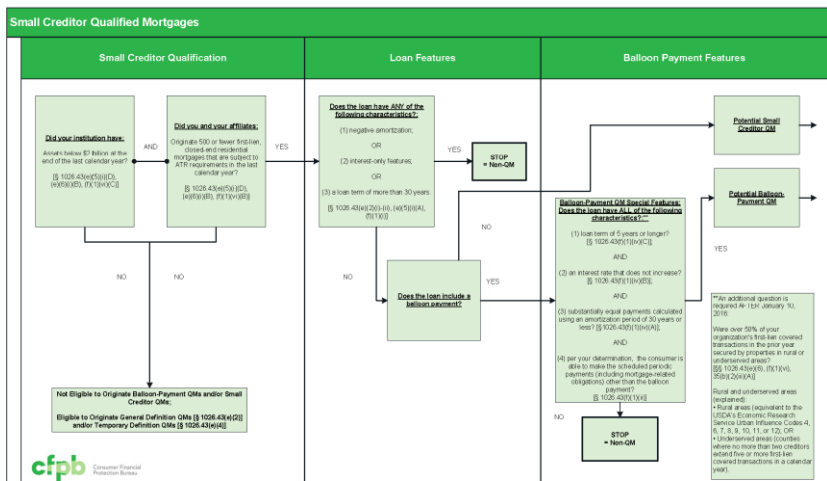
List of events

This timeline shows the effect of the following events during the course of the origination of the loan:

- Receipt of an addendum to Contract modifying the allocation of transfer taxes between the Consumer and Seller. *(August 28th)*
- Appraisal provides a property value resulting in a loan-to-value ratio higher than 80%, triggering mortgage insurance. *(September 4th)*
- An updated credit report obtained by the Creditor shows a changed credit score, triggering a LLPA. *(September 22nd)*

August 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
2	3 Application received by Creditor The only the Creditor may assist with providing the cash advance is to the credit report	4	5	6 Loan Estimate delivered or posted in mail Creditor may request verification information	7	8
9	10	11 Consumer receives Loan Estimate Consumer indicates an intention to proceed with application	12 Copy of Contract received by Creditor	13 Appraisal ordered by Creditor	14 7-day waiting period for Consumer to review all copies of Loan Estimate and find any other consummation can occur	15
16	17 The Insurance ordered by Real Estate Agent	18	19	20	21	22
23	24	25	26	27	28 Receipt of Acknowledgment by Creditor to start sending information of transfer from Seller Consumer and buyer. Forward Loan Estimate completed	29
30	31					



5/12/14

eRegulations

About eRegulations

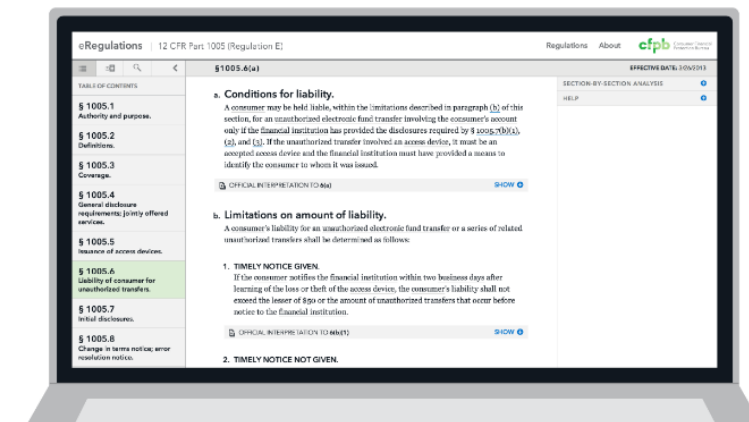
eRegulations makes regulations [easy to read](#) and [navigate](#). It clarifies regulations by bringing [related information](#) and [regulatory history](#) to the forefront. It is a work in progress by the [Consumer Financial Protection Bureau](#), and is a public domain work of the United States Government.



DEVELOPERS

eRegulations is an open source project. Visit [the project repository](#) to learn more and contribute.

Easy to read



Clear typography makes regulations legible and easy to scan.

Responsive design adapts the tool to fit to your screen.



<http://www.consumerfinance.gov/eregulations/>

CFPB Reference

- [TILA-RESPA Integrated Disclosure Rule Implementation webpage on CFPB's website](#)

The screenshot displays the CFPB website's header with the logo and navigation links. The main content area is titled "TILA-RESPA Integrated Disclosure rule implementation" and includes a breadcrumb trail: "HOME > REGULATORY IMPLEMENTATION > TILA-RESPA INTEGRATED DISCLOSURE RULE IMPLEMENTATION". Below the title, there are links for "Resources to help you comply" and "Additional information for industry". The page is divided into two columns. The left column, titled "RESOURCES TO HELP YOU COMPLY", lists several resources: a "Compliance guide" (a plain-language guide to the new rules in a FAQ format), a "Guide to forms" (provides detailed, illustrated instructions on completing the Loan Estimate and Closing Disclosure), a "Disclosure timeline" (illustrates the process and timing of disclosures for a sample real estate purchase transaction), "Integrated loan disclosure forms & samples" (downloadable Loan Estimate and Closing Disclosure forms in both English & Spanish and samples for different loan types), and "Videos" (a series of webinars to address implementation of the new rule). The right column, titled "Email updates about mortgage rule implementation", features a "SIGN UP" button. Below this, the "NEWS" section mentions "Regulation Z now available in easier-to-read format". The "MORE" section lists "Other guidance materials" and "Final rules issued by the CFPB". The "QUESTIONS?" section prompts users to review resources on the "Regulation Z implementation page and the related".

An official website of the United States Government

Español 中文 Tiếng Việt ខ្មែរ Tagalog Пуссаळ العربية Kreyòl Ayisyen

cfpb Consumer Financial Protection Bureau

Contact us (855) 411-2372

Search

HOME INSTEAD OF THE CFPB GET ASSISTANCE PARTICIPATE LAW & REGULATION SUBMIT A COMPLAINT

HOME > REGULATORY IMPLEMENTATION > TILA-RESPA INTEGRATED DISCLOSURE RULE IMPLEMENTATION

TILA-RESPA Integrated Disclosure rule implementation

Resources to help you comply | Additional information for industry

RESOURCES TO HELP YOU COMPLY

TILA-RESPA Integrated Disclosure rule

Compliance guide: A plain-language guide to the new rules in a FAQ format which makes the content more accessible for industry constituents, especially smaller businesses with limited legal and compliance staff.

Guide to forms: Provides detailed, illustrated instructions on completing the Loan Estimate and Closing Disclosure.

Disclosure timeline: Illustrates the process and timing of disclosures for a sample real estate purchase transaction.

Integrated loan disclosure forms & samples: Downloadable Loan Estimate and Closing Disclosure forms in both English & Spanish and samples for different loan types.

Videos: A series of webinars to address implementation of the new rule. Please note that registration is required to view the recordings. Topics include an overview of the final rule, frequently asked questions, loan estimate form, and the closing disclosure form.

Supervision and examination materials

Our **Readiness Guide** provides guidelines for institutions to evaluate their readiness and help them comply with the mortgage rule changes made through August 1, 2014.

ADDITIONAL INFORMATION

Data standards

Freddie Mac and Fannie Mae have released a common industry dataset, called the Uniform Closing Dataset, which leverages and maps to Mortgage Industry Standards Maintenance Organization (MISMO) data standards, to support

Email updates about mortgage rule implementation

SIGN UP

NEWS

Regulation Z now available in easier-to-read format

TILA has been added to eRegulations, our web-based application that makes regulations easier to read and understand. It can be difficult and time consuming to understand how a regulation changes over time. The "compare" feature in the eRegulations tool allows you to compare two versions of a regulation, and see exactly where the regulation has changed.

» Check out Regulation Z in eRegulations
» Tell us what you think

MORE

» Other guidance materials
» Final rules issued by the CFPB

QUESTIONS?

If, after reviewing the resources on the Regulation Z implementation page and the related

NCUA Reference

- NCUA's Consumer Compliance Regulatory Resources webpage provides a variety of resources, including Dodd-Frank Act Mortgage Lending Resources



Questions and Answers



Disclaimer

- The Bureau issued the TILA-RESPA Integrated Disclosure final rule in November of 2013 to implement provisions under the Dodd Frank Wall Street Reform and Consumer Protection Act.
- The Final Rule will take effect in August 2015.
- This presentation is current as of February 11, 2015. This presentation does not represent legal interpretation, guidance or advice of the Bureau. While efforts have been made to ensure accuracy, this presentation is not a substitute for the rule. Only the rule and its Official Interpretations can provide complete and definitive information regarding requirements. This document does not bind the Bureau and does not create any rights, benefits, or defenses, substantive or procedural, that are enforceable by any party in any manner.

Questions

- **Q: What constitutes an acceptable addendum page?** For example, if the Loan Estimate does not have enough room for all names and mailing addresses of the consumers applying for the credit, how should the addendum page be disclosed?
- **Comment 37(a)(5)-1:** “If the names and mailing addresses of all consumers applying for the credit do not fit in the space allocated on the Loan Estimate, an additional page with that information may be appended to the end of the form.”
- **Comment 37(o)(5)-5:** “Information required or permitted to be disclosed by § 1026.37 on a separate page should be formatted similarly to form H-24 of appendix H to this part, so as not to affect the substance, clarity, or meaningful sequence of the disclosure.”

Questions

- **Q: How should fees paid by the lender be disclosed on the Closing Disclosure?**
- **Comment 38(f)-1:** *“Lender-paid charges and specific lender credits. Charges that are designated as paid by others under § 1026.38(f) and (g) . . . may include the letter “L” in parentheses, i.e. “(L),” to the left of the amount in the column to designate those charges paid by the creditor pursuant to the legal obligation between the creditor and consumer.”*
- **Comment 38(h)(3)-1:** *“General lender credits. When the consumer receives a generalized credit from the creditor for closing costs, the amount of the credit must be disclosed under § 1026.38(h)(3).”*

Questions

- **Q: For a Home Equity Loan, if the Credit Union does not charge any fees and also covers all third-party costs (for example, appraisals), how should these fees be disclosed on the Loan Estimate or Closing Disclosure?**
- **1026.19(e)(1) and (f)(1):** “[C]losed-end consumer credit transaction secured by real property”
- **Comment 17(c)(1)-1:** “The disclosures shall reflect the credit terms to which the parties are legally bound as of the outset of the transaction.”
- **Comment 17(c)(1)-2:** “The legal obligation normally is presumed to be contained in the note or contract that evidences the agreement.”
- **Comment 17(c)(1)-19:** “[I]f the creditor is legally obligated to provide the premium or rebate to the consumer as part of the credit transaction, the disclosures should reflect its value in the manner and at the time the creditor is obligated to provide it.”

Questions

- **Q:** How does the new TILA-RESPA Integrated Disclosures Rule affect the disclosure of fees related to appraisal management companies (AMC) and appraisals?
- **78 FR 79955-56:** “[S]ection 1475 of the Dodd-Frank Act permits the optional disclosure of the charges made by an AMC, but does not require separate itemization requiring breakouts of such charges to be disclosed in all cases may tend to produce information overload.”

Other Events

- NCUA Chairman's Town Hall Meeting with CFPB Director Cordray, Feb. 10, 2015
- NCUA Webinar: Fair Lending and Home Mortgage Disclosure Act Compliance, Feb. 20, 2015 at 2:00 PM Eastern

Office Contact Page

Feel free to contact our office with questions or comments:

Policy Questions:

Office of Consumer Protection

ComplianceMail@ncua.gov

(703) 518-1140

Safety and Soundness Questions:

Office of Examination & Insurance

EIMail@ncua.gov

(703) 518-1140